

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Record Request Response

Record Request No.: AG-RR-20 (Gas)

Indicate how the costs of LNG and LPG resources are allocated, whether they're based on a design-day allocation or otherwise, whether it's the same allocation formula that Mr. Harrison developed for the CGA; and if not, for the company to explain the differences in those allocation methods.

Response:

The fixed costs of LPG and LNG resources are allocated on the basis of class use of supplies on a design day in accordance with FG&E's Distribution Service Terms and Conditions, Section 13.9 Company Managed Supplies. The complete terms and conditions regarding capacity assignment are included in Attachment 1 AG-7-21 (Gas). The tariff outlines the same process employed by Mr. Harrison.

FG&E annually computes a design day demand estimate for each class of customer. Base load usage is computed using the average daily use in the months of July and August. Base loads are served by pipeline supplies. On a design day, the remaining pipeline supplies serve this demand along with storage, and peaking supplies. For each supply, class allocations are based on the heating use on the design day. This process is virtually identical to the method employed by Mr. Harrison in his MBA calculations (see Workpapers supporting Schedule JLH-4 (Gas)).

Attachment 1 AG-RR-20 (Gas) compares the design day estimates prepared for capacity assignments based on January 2002 with the design day estimates prepared by Mr. Harrison for 2001. In order to facilitate comparisons, the figures are shown as a percentage of total. A similar comparison is provided to show the allocation of LP and LNG costs.

Person Responsible: Karen M. Asbury and James L. Harrison

DTE 02-24/25
ATTACHMENT 1 AG-RR-20 (Gas)

Capacity Assignment Calculations
DESIGN DAY LOAD ALLOCATION (Jan. 2002)

Customer Class

	Design Day Demand	Peaking Capacity
Res LLF	51%	52%
Res HLF	3%	3%
G41-LLF	11%	11%
G51-HLF	1%	1%
G42-LLF	19%	20%
G52-HLF	4%	3%
G43-LLF	9%	9%
G53-HLF	2%	1%
Subtotal HLF	11%	8%
Subtotal LLF	89%	92%
Grand Total	100%	100%

CGA Fixed Cost Assignment
MBA ALLOCATION (FROM SCHEDULE JLN-4 (GAS))

	Design Day Demand	Peaking Capacity
Res LLF	51%	51%
Res HLF	2%	1%
G41-LLF	12%	13%
G51-HLF	2%	1%
G42-LLF	17%	18%
G52-HLF	4%	3%
G43-LLF	8%	8%
G53-HLF	4%	5%
Subtotal HLF	12%	10%
Subtotal LLF	88%	90%
Grand Total	100%	100%